

BELGIAN INSTITUTE FOR POSTAL SERVICES AND TELECOMMUNICATIONS

PRESS RELEASE

Impact of the launch of the fourth operator on Belgium's position in the international price comparison

Brussels, 19 December 2024 – The fourth operator DIGI launched its mobile and fixed Internet offer on 11 December. The mobile service is national, but for the time being the fixed Internet offer is only available for consumers in Anderlecht and Sint-Jans-Molenbeek, where DIGI has (partially) rolled out its own fibre network. The launch of the fourth national network operator could lead to an improvement of the competitive dynamics on the Belgian telecom market.

Which services does DIGI offer now?

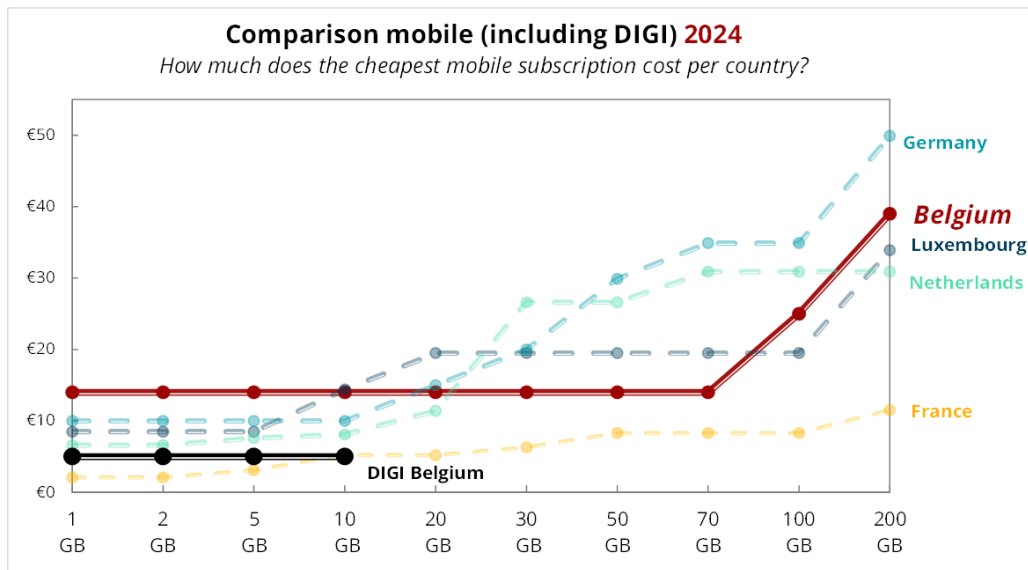
DIGI currently offers one mobile tariff plan. For the price of 5 euro a month consumers have unlimited calls and text messages, and 15 GB of data. For each extra gigabyte customers pay 60 cent extra. This offer is available throughout Belgium, but for the moment only using the 4G technology and the Proximus network awaiting the roll-out of its own 4G/5G network.

As regards fixed Internet, only consumers in Anderlecht and Sint-Jans-Molenbeek can currently subscribe. The offer starts at a price of 10 euro a month for unlimited surfing with a 500 Mbps download speed. Other speeds are available, as well as combinations of fixed Internet with mobile and/or fixed telephony.

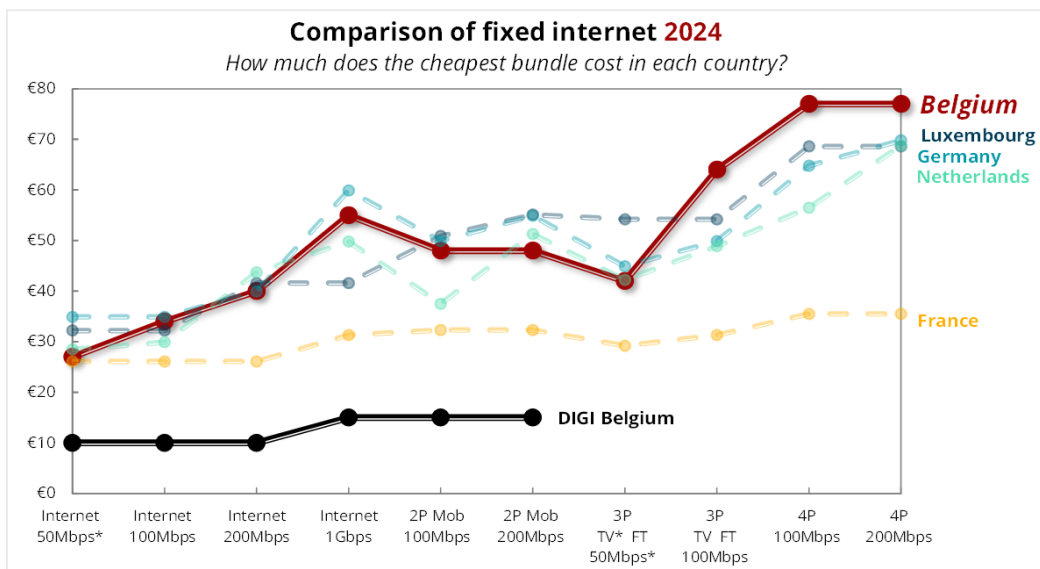
What impact does the launch of DIGI have on Belgium's position in the BIPT international price study?

In the charts below a simulation is made of the possible impact this new product offer has on the position of Belgium compared to its neighbouring countries. This simulation is based on the latest BIPT international price study.¹

¹ In that study the DIGI tariffs are not taken into consideration because – in the light of the methodology – only products are considered if they were available in October 2024, which is not the case for DIGI. Moreover, the study only includes operators (and their secondary brands) with a minimum national market share of 5%, a threshold obviously not yet reached by DIGI.



On the **mobile market** DIGI creates a considerably more favourable position of Belgium internationally for the lowest data needs (up to 10 GB). If DIGI was taken into account the cheapest offer for the profiles concerned would drop by almost two thirds, so that Belgium is no longer the most expensive country, but gets close to cheapest country, which is France. DIGI currently does not specifically target customers with high data needs.



On the **fixed market** the launch of DIGI causes a substantial shift in the position of Belgium. If DIGI would fulfil the methodological requirements of the latest study the Belgian “minimum price” for all stand-alone Internet profiles would be remarkably cheaper than in any neighbouring country. The prices are half as expensive as the cheapest country, which is France. The same goes for the 2P combination of fixed Internet and mobile telephony. The BIPT points out again that DIGI’s fixed offer is currently only available in Anderlecht and Sint-Jans-Molenbeek.

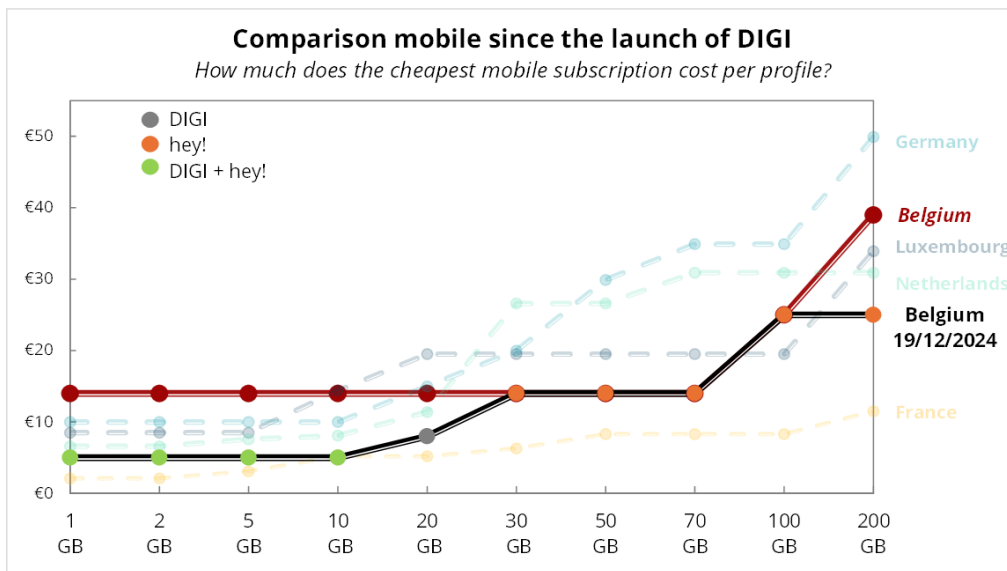
How do the other operators react to DIGI’s arrival?

Orange was quick to announce that it will adapt two mobile subscriptions of its hey! brand on 18 December. Both subscriptions will from then on offer unlimited call minutes and text messages, as well

as a higher data limit. In addition, the price of the cheapest subscription is lowered by 2 euro compared to the previous price. Thanks to those adaptations hey! immediately equals DIGI's price for the 15 GB formula.

Additionally, on December 16, Proximus announced that it is immediately doubling the data volumes of its Mobile Vikings subscriptions. This is certainly an improvement for the customer, but for comparable data volumes, the Mobile Vikings offering is not more attractive in terms of price than that of hey! and/or DIGI

In the chart below a simulation is made of the impact of those changes on the position of Belgium compared to its neighbouring countries. This simulation is based on the latest BIPT international price study. The red line shows the position of Belgium based on the October 2024 tariffs, whereas the green line represents the cheapest mobile subscriptions, taking into account the launch of DIGI and the subsequent response from the competitors.



On the **fixed market** the launch of DIGI has not instigated a response from the competitors yet. The probable reason is that DIGI's fixed Internet offer is currently only available in a very limited area, so that for the time being it forms no immediate threat to the other operators.

Considering the recent changes and potential future adaptations the BIPT expects that the next international comparison (planned for 2025), especially in the mobile segment, will look considerably different than the 2024 study.

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